

Statement of
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“Stopping the Methamphetamine Epidemic: Lessons From the Pacific Northwest”

Chairman Souder, and distinguished Members of Congress, my name is Rodney Benson and I am the Special Agent in Charge of the Drug Enforcement Administration’s (DEA) Seattle Field Division, which covers all of Washington, Oregon, Idaho and Alaska. On behalf of the DEA Administrator, Karen Tandy, I appreciate your invitation to testify today regarding the DEA’s efforts in the Pacific Northwest to combat methamphetamine.

Overview

Unlike some regions of the country, for the Pacific Northwest methamphetamine is not a new phenomenon. Law enforcement in the Pacific Northwest have been combating methamphetamine for well over 20 years and we have seen firsthand the devastating effects of this drug, which has spread eastward and is now impacting communities across this nation. Methamphetamine remains a very significant drug threat in the Pacific Northwest and the DEA continues to combat this drug on multiple fronts.

The DEA aggressively targets those who traffic in and manufacture this drug, as well as those who traffic in the chemicals used to produce this poison. In the Pacific Northwest and across the nation, we have initiated and led successful enforcement efforts focusing on methamphetamine and its precursor chemicals and have worked jointly with our federal, state and local law enforcement partners to combat this drug. Nationally, the efforts of law enforcement have resulted in successful investigations which have dismantled and disrupted high-level methamphetamine trafficking organizations, as well as dramatically reduced the amount of pseudoephedrine entering our country.

Combating this drug requires a collaborative effort by all levels of law enforcement. An essential component of the DEA’s efforts against methamphetamine involves the partnerships we have developed with State and local law enforcement across the country. In addition to our enforcement efforts, we are using the expertise of the DEA’s Office of Training to provide clandestine laboratory training to thousands of our state and local partners from all the over country. The DEA also provides cleanup assistance to law enforcement agencies across the country, as they battle this drug.

National Methamphetamine Threat Assessment and Trends

Methamphetamine found in the United States originates from two general sources, controlled by two distinct groups. Most of the methamphetamine found in the United States is produced by Mexico-based and California-based Mexican traffickers. These drug trafficking organizations control “super labs” (a laboratory capable of producing 10 pounds or more of methamphetamine within a production cycle) and produce the majority of methamphetamine available throughout the United States. Current drug and lab seizure data suggests that roughly two-thirds of the methamphetamine used in the United States comes from larger labs, increasingly in Mexico.

Mexican criminal organizations control most mid-level and retail methamphetamine distribution in the Pacific, Southwest, and West Central regions of the United States, as well as much of the distribution in the Great Lakes and Southeast regions. Mexican midlevel distributors sometimes supply methamphetamine to outlaw motorcycle gangs (OMG) and Hispanic gangs for retail distribution throughout the country.

The second source for methamphetamine in this country comes from small toxic labs (STL), which produce relatively small amounts of methamphetamine, and are not generally affiliated with major trafficking organizations. A precise breakdown is not available, but it is estimated that STLs are responsible for approximately one-third of the methamphetamine consumed in this country. Initially found only in the most Western States, there has been a steady increase and eastward spread of STLs in the United States. Many methamphetamine abusers quickly learn that “recipes” are easily accessible over the internet, that ingredients are available in many over-the-counter cold medications and common household products found at retail stores and that the production of methamphetamine is a relatively simple process. These factors have helped serve as a catalyst for the spread of methamphetamine across the country.

Threat Assessment - Oregon and Washington

Methamphetamine is a very significant drug threat that the DEA faces in the Seattle Field Division. Demand, availability and abuse of methamphetamine remain high in all areas of the Pacific Northwest. The market for methamphetamine, both in powder and “crystal” form, in Oregon and Washington is dominated by Mexican drug trafficking organizations. These organizations produce methamphetamine in each state, as well as import it from sources in Mexico, California or the Southwest Border areas of the United States. “Crystal” methamphetamine though increasingly available in Oregon and Washington, is primarily imported into the Pacific Northwest rather than being converted within the region.

STLs producing anywhere from a few grams to several ounces of methamphetamine operate within each state. The most commonly encountered production method for methamphetamine in the Seattle Field Division is the ephedrine/pseudoephedrine reduction method, using red phosphorus.

The DEA in Oregon and Washington routinely purchase and seize quantities of methamphetamine ranging from ounces to multiple pounds. Within the Seattle Field Division, the price of uncut methamphetamine in powder form has been from \$8,000 - \$10,000 per pound, with “crystal” methamphetamine averaging from \$9,000 - \$14,000 per pound. Purity levels of methamphetamine in Oregon and Washington have continued to increase, with average purities at 70 percent and 73 percent respectively (as of the end of the 3rd quarter of FY 2005). Often purity levels for “crystal” methamphetamine exceed 90 percent.

Despite increased enforcement efforts, some lab operators in the region, as well as those outside the Pacific Northwest, continue to obtain ephedrine and pseudoephedrine from Canada. Fortunately, we have an excellent relationship with the Royal Canadian Mounted Police, and have been able to work with them, as well as our DEA offices in Canada to shut down several sources of precursor chemicals.

Methamphetamine lab-related seizures in Oregon and Washington, as reported to the El Paso Intelligence Center for FY 2002 through FY 2004 are listed below (as of 10/4/05). It should be noted that reporting is not mandatory, so some State and local law enforcement agencies do not report their clandestine laboratory numbers to EPIC.

	Chem/Glass/Equip	Dumpsites	Labs	Total
FY 2002				
Oregon	60	74	441	575
Washington	126	575	682	1383
FY 2003				
Oregon	20	63	351	434
Washington	81	414	625	1120
FY 2004				
Oregon	37	56	409	502
Washington	37	365	549	951

Battling Methamphetamine – Labs and Precursor Chemicals

As a result of our efforts and those of our law enforcement partners in the U.S. and Canada, we have seen a dramatic decline in methamphetamine “super labs” in the U.S. In 2004, 55 “super labs” were seized in the United States, the majority of which were in California. This is a dramatic decrease from the 246 “super labs” seized in 2001. This decrease in “super labs” is largely a result of DEA’s enforcement successes against suppliers of bulk shipments of precursor chemicals, notably ephedrine and pseudoephedrine. Nationally, law enforcement has also seen a huge reduction in the amount of pseudoephedrine, ephedrine, and other precursor chemicals seized at the Canadian border. But with the drop in “super lab” activity in the United States, however, we have also seen an increase of “super lab” activity in Mexico.

In addition, the DEA has been working to ensure that only legitimate businesses with adequate chemical controls are licensed to handle bulk pseudoephedrine and ephedrine in the United States. In the past seven years, more than 2,000 chemical registrants have been denied, surrendered, or withdrawn their registrations or applications as a result of DEA investigations. Between 2001 and 2004, DEA Diversion Investigators physically inspected more than half of the 3,000 chemical registrants at their places of business. We investigated the adequacy of their security safeguards to prevent the diversion of chemicals to the illicit market, and audited their recordkeeping to ensure compliance with federal regulations. By ensuring that pseudoephedrine and ephedrine is only being used and distributed by legitimate businesses, the DEA believes it

has made it more difficult for methamphetamine manufacturers to obtain large quantities of these chemicals.

The DEA is also working with our global partners to target international methamphetamine traffickers and to increase chemical control efforts abroad. The DEA has worked hand in hand with our foreign law enforcement counterparts and have forged agreements to pre-screen pseudoephedrine shipments to ensure that they are being shipped to legitimate companies for legitimate purposes. A recent example of our efforts in this area is an operation worked with our counterparts from Hong Kong, Mexico and Panama, which prevented approximately 68 million pseudoephedrine tablets from reaching “meth cartels.” This pseudoephedrine could have produced more than two metric tons of methamphetamine.

DEA’s Efforts in the Pacific Northwest

The DEA offices located in Oregon and Washington are part of the Seattle Field Division, which also includes the states of Alaska and Idaho. The DEA’s offices in Oregon are located in the following cities: Portland, Salem, Eugene and Medford. In addition to these offices, a Post of Duty is located in Bend, Oregon, which is under the Eugene Resident Office’s area of responsibility. The DEA offices in the State of Washington are located in the following cities: Seattle, Tacoma, Blaine, Spokane and Yakima. A Post of Duty is also located in the Tri-Cities (Richland, Kennewick and Pasco), which is under the Yakima Resident Office’s area of responsibility.

The DEA’s enforcement efforts in Oregon and Washington are led by DEA Special Agents and Task Force Officers from state and local agencies, who are assigned to DEA offices. The Task Force Officers (TFO) are deputized by the DEA and have the same authority as DEA Special Agents. The Seattle Field Division has TFOs in all our offices throughout Oregon and Washington and they work alongside our Agents, Diversion Investigators and Intelligence Research Specialists. Working in a task force setting brings together the expertise of the individual investigators and agencies and serves as a force multiplier, by which law enforcement can better attack the drug threats facing Oregon and Washington.

The DEA focuses its overall enforcement operations on the large regional, national and international drug trafficking organizations responsible for the majority of the illicit drug supply in the United States. Within the Seattle Field Division, we implement the same approach by focusing our investigative resources and efforts on the largest trafficking organizations operating within the respective areas of responsibility of our offices. From FY 2002 through FY 2005, the enforcement efforts of the DEA offices located in Oregon and Washington have resulted in approximately 1,600 methamphetamine-related arrests. This arrest total includes numerous methamphetamine-related investigations conducted under the Organized Crime Drug Enforcement Task Force (OCDETF) program and the Priority Target Organization (PTO) investigations program.

Several recent examples of our enforcement efforts targeting methamphetamine trafficking organizations and precursor chemical suppliers operating in Oregon and Washington are highlighted below:

- **Operation Intolerance** – this two year OCDETF investigation led by the Yakima Resident Office, working with the U.S. Attorney’s Office for the Eastern District of Washington and numerous federal, state and local law enforcement agencies culminated during June 2005, with the arrest of 32 individuals and the seizure of 8 pounds of methamphetamine, 4 kilograms of cocaine, 90 pounds of marijuana (all drug seizures are approximate amounts), approximately

\$215,000 in U.S. currency, 34 vehicles and 30 firearms. This poly-drug organization operated in the Yakima Valley region of Washington State and distributed narcotics throughout Eastern Washington and other areas of the country.

- **Operation Stampede “Super Lab” seizure** – during May 2005, the Salem Resident Office, working with the U.S. Attorney’s office for the District of Oregon, along with approximately 90 law enforcement officers from other federal, state and local agencies, executed 6 search warrants, and arrested 14 individuals on drug charges related to the dismantling of a clandestine laboratory located in Linn County, Oregon. This laboratory was capable of producing more than 80 pounds of methamphetamine at a time. Items seized in this investigation included approximately 3 pounds of methamphetamine, nearly 200 pounds of precursor chemicals, over \$180,000 in U.S. currency, 5 vehicles and numerous firearms.
- **Operation Global Warming** – this 19 month OCDETF investigation led by the Portland District Office and the Westside Interagency Narcotics Team, working with the U.S. Attorney’s Office for the District of Oregon and numerous other federal, state and local law enforcement agencies culminated during March 2005, with the arrest of 6 individuals and the seizure of 42 pounds of methamphetamine, 6 pounds of heroin, 1 pound of marijuana, in excess of \$100,000 in U.S. currency, 11 vehicles and numerous firearms. Several of the seized vehicles had hidden compartments capable of concealing 30 pounds or more of narcotics. Separate investigations targeting groups associated with this trafficking organization were also initiated in Oregon and California, and resulted in additional arrests and the seizures of methamphetamine, U.S. currency, vehicles and firearms. This West Coast poly-drug organization had been transporting large quantities of methamphetamine, cocaine and heroin from Mexico through California and then into Oregon and Washington for distribution.
- **Operation Sanctioned Sins** – this OCDETF investigation led by the Seattle Division Office and worked in conjunction with the U.S. Attorney’s Office, the Washington State Board of Pharmacy and the Pierce County Sheriff’s Office focused on reducing the supply of “grey market” pseudoephedrine in the State of Washington. Preliminary information indicated that five companies operating in Western Washington, who each distributed pseudoephedrine, were responsible for over 80 percent of the suspicious activity reports filed within the State. From July 2003 through January 2004, these five wholesalers distributed approximately 9.8 million tablets of pseudoephedrine or two-way ephedrine, which accounted for approximately 79 percent of all wholesale distribution of these types of tablets. Our investigation revealed that many small retail stores, often in rural areas, were frequently selling more pseudoephedrine than large chain stores located in urban areas. When confronted with this information, all five wholesale distributors voluntarily agreed to surrender their federal licenses to distribute List I Chemicals. Since June 2004, the month the businesses ended their distribution of List I Chemicals, reported sales of pseudoephedrine and two-way ephedrine tablets dropped 95 percent from a high of 2 million tablets a month in August 2003, to less than 42,000 tablets a month in June 2004. These tablets could have produced approximately 1,225 pounds of methamphetamine.

DEA’s Clandestine Laboratory Training

In response to the spread of labs across the country, more and more state and local law enforcement officers require training to investigate and safely dismantle these labs. Since 1998, the DEA has offered a robust training program for our state and local partners. The DEA, through our Office of Training, provides basic and advanced clandestine laboratory safety training for state and

local law enforcement officers and Special Agents at the DEA Clandestine Laboratory Training Facility. Instruction includes the Basic Clandestine Laboratory Certification School, the Advanced Site Safety School, and the Clandestine Laboratory Tactical School. Each course exceeds Occupational Safety Health Administration (OSHA)-mandated minimum safety requirements and is provided at no cost to qualified state and local law enforcement officers. As part of this training, approximately \$2,200 worth of personal protective equipment is issued to each student, allowing them to safely investigate these clandestine labs and work in this hazardous environment.

Since 1998, the DEA has trained more than 9,300 State and local law enforcement personnel (plus 1,900 DEA employees), to conduct investigations and dismantle seized methamphetamine labs and protect the public from methamphetamine lab toxic waste. From FY 2002 through FY 2005, the DEA provided clandestine laboratory training to more than 320 officers from Oregon and Washington.

The Office of Training also provides clandestine laboratory awareness and “train the trainer” programs that can be tailored for a specific agency’s needs, with classes ranging in length from one to eight hours. Due to the threat posed by methamphetamine within the Seattle Field Division, several years ago we designated a senior Special Agent with an extensive lab background to serve the Division’s full-time clandestine laboratory coordinator. In addition to working with our Special Agents and federal and state prosecutors, this Agent works with other federal, state and local law enforcement, as well as various groups within the public and private sector on methamphetamine-related issues and training. In this capacity, our clandestine laboratory coordinator has provided “awareness training” to groups such as the International Utilities Revenue Protection Association, the Commercial Realtors Association of Central Oregon, the Snohomish County (Washington) Transitional Housing and Food Bank Organization, the U.S. Mail Carriers of Washington and the U.S. Coast Guard.

Hazardous Waste Cleanup

When a federal, state or local agency seizes a clandestine methamphetamine laboratory, Environmental Protection Agency regulations require that the agency ensure that all hazardous waste materials are safely removed from the site. In 1990, the DEA established a Hazardous Waste Cleanup Program to address environmental concerns from the seizure of clandestine drug laboratories. This program promotes the safety of law enforcement personnel and the public by using qualified companies with specialized training and equipment to remove hazardous waste. Private contractors provide hazardous waste removal and disposal services to the DEA, as well as to state and local law enforcement agencies.

The DEA's hazardous waste program, with the assistance of grants to state and local law enforcement, supports and funds the cleanup of a majority of the laboratories seized in the United States. In FY 2004, the cost of administering these cleanups was approximately \$17.8 million.

In Oregon, from FY 2002 through FY 2005, the DEA administered 1,290 lab cleanups, at a total cost of \$2,619,484. In the State of Washington, from FY 2002 through FY 2005, the DEA administered 82 lab cleanups at a cost of \$306,289. It should be noted that the Washington Department of Ecology responds to the majority of lab cleanups within Washington State.

Conclusion

The DEA, both nationally and in the Pacific Northwest, is keenly aware that we must continue our fight against methamphetamine. Law enforcement has experienced some success in this fight, as is evidenced by the significant decrease in the number of “super labs” seized in this country and the huge reduction in pseudoephedrine seized at the Canadian border. To continue to combat this epidemic, we are fighting methamphetamine on multiple fronts. Our enforcement efforts are focused on both the large-scale methamphetamine trafficking organizations distributing this drug, as well as those who are involved in providing the precursor chemicals necessary to manufacture this poison.

Our DEA offices in Oregon and Washington have been combating methamphetamine for over 20 years and continue to work closely with our state and local law partners to combat the threat presented by this drug. To more effectively and safely investigate and dismantle these labs, our Office of Training has provided clandestine laboratory training to many of our state and local partners. Additionally, through our hazardous waste program, since FY 2002, the DEA has administered nearly 1,400 laboratory cleanups in Oregon and Washington.

Thank you for your recognition of this important issue and the opportunity to testify here today. I will be happy to answer any questions you may have.